

Medicare coverage of nonphysician practitioners

ISSUE: Medicare Part B currently pays for services provided by physicians and certain types of nonphysician practitioners including psychologists, physician assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists, certified nurse midwives, and licensed clinical social workers. Other categories of nonphysician practitioners are not currently recognized as Medicare providers and, thus, are not able to independently bill the program for their services. In BIPA, the Congress asked MedPAC to determine the appropriateness of providing Medicare Part B coverage for services rendered by additional types of nonphysician providers including surgical technologists, marriage and family therapists, pastoral care counselors, licensed professional counselors of mental health, and clinical pharmacists.

KEY POINTS: In order to qualify for Medicare Part B payment, health services must be “reasonable and necessary for the diagnosis or treatment of an illness or injury or to improve the functioning of a malformed body member.” In addition, a service must be delivered by a ‘covered’ practitioner who is legally authorized to perform it under state law, and the service must otherwise be covered if performed by a physician. Certain categories of nonphysician providers, but not others, are recognized by Medicare as practitioners.

Should surgical technologists who function as first assistants at surgery be paid under Part B for their services? At present, payment for surgical technologists is part of the prospective payment to hospitals. Designation of surgical technologists as Medicare providers would require unbundling of the PPS and may increase costs to the program. Whether there is a rational reason for current payment policy for first assistants is an issue to discuss.

Should marriage and family therapists, pastoral care counselors, and licensed professional counselors of mental health be recognized as providers of Medicare-covered mental health services? Adding these practitioners would likely increase costs to the Medicare program but may improve access to mental health services for beneficiaries. Whether these groups have the education and training to render mental health services to Medicare beneficiaries is a point for discussion.

Should Medicare pay clinical pharmacists for collaborative drug therapy management (CDTM) services? Evidence suggests that CDTM may reduce some costs and improve the quality of care for beneficiaries. Creation of this new benefit may be premature at this time given the lack of a Medicare drug benefit. In addition, the costs of a generalized CDTM benefit is unclear but would likely increase overall program costs.

ACTION: The Commissioners should discuss the pros and cons of recognizing additional Medicare providers. In addition, the staff requests the Commission to indicate its preferred policy directions for each of the three issues presented. This report is due to the Congress in June 2002.

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